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Attorneys for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Chapter 11

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED
 FUND, LLC,
 Debtor.

Jointly Administered Under
 Case No. BK-S-06-10725 LBR

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

**SUPPLEMENT TO CONTINUED
 EMPLOYMENT AND RETENTION
 OF DEBTORS' PROFESSIONALS
 PURSUANT TO INTERIM ORDER**

In re:
 USA SECURITIES, LLC,
 Debtor.

Affects:

- ☒ All Debtors
- ☐ USA Commercial Mortgage Company
- ☐ USA Securities, LLC
- ☐ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed Fund, LLC
- ☐ USA Capital First Trust Deed Fund, LLC

**Date: January 31, 2007
 Time: 9:30 a.m.**

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USA Commercial Mortgage Company, USA Capital Realty Advisors, LLC, USA Securities, LLC, USA Capital Diversified Trust Deed Fund, LLC, and USA Capital First Trust Deed Fund, LLC (collectively “Debtors”), hereby petition the Court for an interim order granting the Debtors’ Motion for Order Authorizing (I) the Employment and Retention of Mesirow Financial Interim Management, LLC as Crisis Managers for the Debtors, and (II) the Designation of Thomas J. Allison of Mesirow Financial Interim Management, LLC as Chief Restructuring Officer for the Debtors and the Employment of Certain Temporary Employees (the “Mesirow Application,” Docket No. 6), the Application by Debtors and Debtors-in-Possession for Authorization to Retain and Employ Schwartzer & McPherson Law Firm as Counsel Under General Retainer (the “S&M Application,” Docket No. 21), and the Application to Employ Ray Quinney & Nebeker P.C. as Counsel for the Debtors (the “RQN Application,” Docket No. 23) (collectively, the “Employment Applications”). The Court has previously granted the Employment Applications (Docket Nos. 26, 474, 475, 890, 1137, 1708 and 2401), most recently entering an order authorizing the retention and employment of the Debtors’ Professionals through January 31, 2007, and ordering that the Court would consider further extensions of the Employment Applications of the Debtors’ Professionals at the January 31, 2007 hearing.

The Debtors continue to make substantial progress in this case. On December 20, 2006, this Court concluded the Confirmation Hearing confirming the Third Amended Joint Chapter 11 Plan of Reorganization. On January 8, 2007, the Court entered its Confirmation Order and its supporting findings of fact and conclusions of law. Because the Court’s current employment order only authorizes the retention and employment of the Debtors’ Professionals through January 31, 2007, it is necessary that employment and retention of the Debtors’ Professionals be extended in order to facilitate the closing of the sale to Compass Partners, LLC, work on implementation of the confirmed Plan, including working on remaining post-confirmation disputes, claims issues, the wind-up and dissolution of certain debtors, and the transition of various matters to certain post-confirmation entities. The Debtors respectfully request that the Debtors’ Professionals’ employment and retention be extended through the later of the date necessary or appropriate to complete these tasks or March 31, 2007, and that any further extension of the Debtors’

Professionals' retention and employment, if necessary, can be heard and the omnibus hearing currently scheduled for March 31, 2007 at 9:30 a.m.

Respectfully submitted this 25th day of January, 2007.

/s/ Jeanette E. McPherson

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